



Trinidad & Tobago Free Zones Company Limited

Financial Statements

For the Year Ended 31 December 2021

Trinidad & Tobago Free Zones Company Limited

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Trinidad and Tobago Free Zones Company Limited

Albion Court, 2nd Floor West, 61 Dundonald Street, Port of Spain, Trinidad. West Indies.

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4th August 2022

Aegis Business Solutions Limited
16-18 Scott Bushe Street
Port of Spain

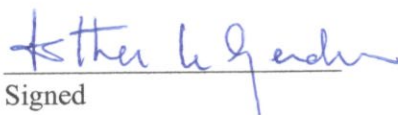
Management is responsible for the following:

- Preparing and fairly presenting the accompanying financial statements of Trinidad & Tobago Free Zones Company Limited which comprise the statement of financial position as at 31 December 2021, the statements of comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information;
- Ensuring that the company keeps proper accounting records;
- Selecting appropriate accounting policies and applying them in a consistent manner;
- Implementing, monitoring and evaluating the system of internal control that assures security of the company's assets, detection/prevention of fraud, and the achievement of company operational efficiencies;
- Ensuring that the system of internal controls operated effectively during the reporting period;
- Producing reliable financial reporting that complies with laws and regulations, including the Companies Act; and
- Using reasonable and prudent judgement in the determination of estimates.

In preparing these audited financial statements, management utilised the International Financial Reporting Standards. Where International Financial Reporting Standards presented alternative accounting treatments, management chose those considered most appropriate in the circumstances.

Nothing has come to the attention of management to indicate that the company will not remain a going concern for the next twelve months from the reporting date, or up to the date the accompanying financial statements have been authorised for issue, if later.

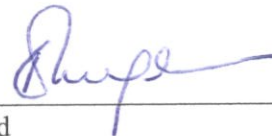
Management affirms that it has carried out its responsibilities as outlined above.



Signed

Title: Director

Date: 4th August, 2022



Signed

Title: Director

Date: 4th August, 2022



Independent Auditor's Report

To the members of
Trinidad & Tobago Free Zones Company Limited

Opinion

We have audited the accompanying financial statements of Trinidad & Tobago Free Zones Company Limited, which comprise the statement of financial position as at 31 December, 2021, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Trinidad & Tobago Free Zones Company Limited as at 31 December, 2021, of its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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Accounting Audit Taxation Human Resources Corporate Secretarial Payroll Corporate Finance

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on The Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause The Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Accountants
Port of Spain
Trinidad, West Indies
4th August 2022



Trinidad and Tobago Free Zones Company Limited

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Trinidad & Tobago Free Zones Company Limited

Statement of financial position

	Notes	31 December	
		2021 \$	2020 \$
ASSETS			
Non-current assets			
Plant and equipment	3	80,180	81,984
Current assets			
Receivables and prepayments	4	1,406,404	758,072
Cash and cash equivalents	5	22,044,569	20,449,863
		23,450,973	21,207,935
Total assets		23,531,153	21,289,919
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	6	2	2
Retained earnings		22,819,376	20,554,719
		22,819,378	20,554,721
Current liabilities			
Dividend payable		600,000	600,000
Accrued liabilities		111,775	135,198
		711,775	735,198
Total equity and liabilities		23,531,153	21,289,919

The accompanying notes set out on pages 8 to 15 form an integral part of these financial statements.

On 4th August, 2022 the Board of Directors of Trinidad & Tobago Free Zones Company Limited authorised these financial statements for issue.

Asther Le Gendre Director

[Signature] Director

Trinidad & Tobago Free Zones Company Limited

Statement of Comprehensive Income Expressed in Trinidad and Tobago dollars

		Year ended 31 December	
	Notes	2021 \$	2020 \$
Revenue		3,580,143	3,077,881
Other income		<u> --</u>	<u> 11,491</u>
		<u>3,580,143</u>	<u>3,089,372</u>
Administrative expenses	9	<u>(1,311,170)</u>	<u>(1,377,757)</u>
Operating profit		2,268,973	1,711,615
Net finance (cost) / income	10	<u>(4,316)</u>	<u>710,498</u>
Net profit		<u>2,264,657</u>	<u>2,422,113</u>

The accompanying notes set out on pages 8 to 16 form an integral part of these financial statements.

Trinidad & Tobago Free Zones Company Limited

Statement of Changes in Shareholders' Equity Expressed in Trinidad and Tobago dollars

	Share capital \$	Retained earnings \$	Total equity \$
Year ended 31 December 2020			
Balance at 1 January 2020	2	18,732,606	18,732,608
Dividends paid	--	(600,000)	(600,000)
Net profit for 2020	<u>--</u>	<u>2,422,113</u>	<u>2,422,113</u>
Balance at 31 December 2020	<u><u>2</u></u>	<u><u>20,554,719</u></u>	<u><u>20,554,721</u></u>
Year ended 31 December 2021			
Balance at 1 January 2021	2	20,554,719	20,554,721
Net profit for 2021	<u>--</u>	<u>2,264,657</u>	<u>2,264,657</u>
Balance at 31 December 2021	<u><u>2</u></u>	<u><u>22,819,376</u></u>	<u><u>22,819,378</u></u>

The accompanying notes set out on pages 8 to 16 form an integral part of these financial statements.

Trinidad & Tobago Free Zones Company Limited

Statement of Cash Flows

Expressed in Trinidad and Tobago dollars

		Year ended 31 December	
	Note	2021	2020
		\$	\$
Cash flows from operating activities			
Net profit		2,268,973	2,422,113
Adjustments for items not requiring an outlay of funds:			
Depreciation		30,447	34,779
Operating profit before changes in working capital		2,299,420	2,456,892
Increase in receivables and prepayments		(648,332)	(37,475)
(Decrease) / increase in accrued liabilities		(23,423)	88,454
Net cash generated from operating activities		1,627,665	2,507,871
Investing activities			
Purchase of assets		(28,643)	(18,007)
Interest paid		(4,316)	--
Net cash used in investing activities		(32,959)	(18,007)
Financing activities			
Dividends paid		--	(300,000)
Net cash used in financing activities		--	(300,000)
Increase in cash and cash equivalents		1,594,706	2,189,864
Cash and cash equivalents at beginning of year		20,449,863	18,259,999
Cash and cash equivalents at end of year	5	22,044,569	20,449,863

The accompanying notes set out on pages 8 to 16 form an integral part of these financial statements.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements 31 December 2021

1 Incorporation and business activities

The company is incorporated and domiciled in the Republic of Trinidad and Tobago. The company is fully owned by the Government of Trinidad and Tobago. Its principal activity is to administer, control, operate and manage all free zones in accordance with the provisions of the Trinidad and Tobago Free Zones Act No 19 of 1988. The address of the company's registered office is Albion Court, 2nd Floor West, 61 Dundonald Street, Port of Spain, Trinidad and Tobago.

2 Summary of significant accounting policies

Basis of preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards and under the historical cost convention.

a Financial instruments

The preparation of Financial Statements in conformity with International Financial Reporting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates.

b Plant and equipment

Plant and equipment are stated at historical cost and are depreciated on the reducing balance basis, at rates estimated to write off the cost of each asset to their residual values over their estimated useful lives as follows:

Leasehold improvements & fixtures	-	33.33%
Office furniture, fittings and equipment	-	20 - 33.33%
Motor vehicles	-	25%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date.

Profits or losses on disposals of plant and equipment are determined by comparing proceeds with the carrying amount and are included in the statement of comprehensive income.

Plant and equipment are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

2 Summary of significant accounting policies (continued)

c Leases

In the comparative period under 'IAS 17', Assets held under other leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

The company leases their building for its office space. The leases of office space typically run for a period of 1 year and include an option to renew the lease for an additional period of the same duration after the end of the contract term.

The company has elected not to recognise right-of-use assets and lease liabilities for the short-term lease of their building that have a lease term of 12 months or less. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

d Revenue recognition

Revenue comprises the invoiced value for services rendered in the year and is recognised on the performance of the services. Interest income is recognised on an effective yield basis.

e Foreign currency translation

i) Functional and presentation currency

Items included in the company's Financial Statements are measured using the currency of the primary economic environment in which the company operates ("the functional currency"). The Financial Statements are presented in Trinidad and Tobago dollars ("TT\$"), which is the company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

f Financial instruments

Financial instruments carried on the statement of financial position include cash and cash equivalents, accounts receivable and accounts payable and are stated at their approximate fair values determined in accordance with the policy statements disclosed.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

2 Summary of significant accounting policies (continued)

g Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost and comprise cash in hand, cash at bank, other short-term highly liquid investments with original maturities of three months or less and funds held in Money Market Funds. Bank overdrafts are included within borrowings in current liabilities on the statement of financial position. For the purposes of the statement of cash flows, cash and cash equivalents also include the bank overdrafts.

h Trade receivables

Trade receivables are carried at original invoice amount less provision made for impairment of these receivables. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the statement of comprehensive income.

i Annuities

The company makes payments on behalf of its employees to deferred annuity plans. The deferred annuity plans are non-contributory by employees. A deferred annuity plan allows one to pay premiums and then receive a lump sum or series of regular payments at a preset future date, usually upon maturity of the plan or at retirement. The regular payments constitute net periodic costs for the year in which they are due and as such are included in staff costs.

j. Provisions

Provisions are recorded when the Company has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued)

31 December 2021

3 Plant and equipment

	Leasehold improvements & fittings \$	Furniture fittings & equipment \$	Totals \$
<u>Year ended 31 December 2020</u>			
Opening net book amount	5,854	92,902	98,756
Additions	--	18,007	18,007
Disposals	--	(130,969)	(130,969)
Depreciation on disposal	--	130,969	130,969
Depreciation charge	(1,951)	(32,828)	(34,779)
Closing net book amount	<u>3,903</u>	<u>78,081</u>	<u>81,984</u>
Cost	114,000	346,234	460,234
Accumulated depreciation	(110,097)	(268,153)	(378,250)
Net book amount	<u>3,903</u>	<u>78,081</u>	<u>81,984</u>
<u>Year ended 31 December 2021</u>			
Opening net book amount	3,903	78,081	81,984
Additions	--	28,643	28,643
Disposals	(8,200)	(1,124)	(9,324)
Depreciation on disposal	8,200	1,124	9,324
Depreciation charge	(1,527)	(28,920)	(30,447)
Closing net book amount	<u>2,376</u>	<u>77,804</u>	<u>80,180</u>
Cost	105,800	373,753	479,553
Accumulated depreciation	(103,424)	(295,949)	(399,373)
Net book amount	<u>2,376</u>	<u>77,804</u>	<u>80,180</u>

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

4	Receivables and prepayments	2021	2020
		\$	\$
	Trade receivables	1,386,577	738,245
	Prepayments	14,520	14,520
	Interest receivable	<u>5,307</u>	<u>5,307</u>
		<u>1,406,404</u>	<u>758,072</u>

As at 31 December 2021, trade receivables of \$1,406,404 were current (2020: \$758,072). Trade receivables are non-interest bearing and are due upon receipt or on 90 day terms.

5	Cash and cash equivalents	2021	2020
		\$	\$
	Money Market Funds	16,935,468	16,545,286
	Cash at bank	5,108,101	3,903,577
	Cash in hand	<u>1,000</u>	<u>1,000</u>
	At end of year	<u>22,044,569</u>	<u>20,449,863</u>

The Money Market Funds have been classified as a cash equivalent because management uses the account for working capital requirements. The interest rate at the year-end was 0.70% (2020 – 0.70%).

6	Share capital	2021	2020
		\$	\$
	Authorised:		
	An unlimited number of shares of no par value		
	Issued and fully paid:		
	2 ordinary shares of no par value	<u>2</u>	<u>2</u>

7	Dividend payable	2021	2020
		\$	\$
	2019 dividend	300,000	300,000
	2020 dividend	<u>300,000</u>	<u>300,000</u>
		<u>600,000</u>	<u>600,000</u>

As at 31 December 2021, dividend payable of \$600,000 included dividends for 2019 and 2020.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

8 Accrued liabilities

	2021	2020
	\$	\$
Accounts payable	75,515	40,550
Accruals	36,215	94,648
Other payables	45	--
	<u>111,775</u>	<u>135,198</u>

9 Administrative expenses

The company's operating profit includes the following costs and expenses:

	2021	2020
	\$	\$
Staff costs	501,554	547,335
Operating lease rental for property	389,610	389,610
Director's fees	178,800	178,800
Professional fees	141,483	127,036
Office administration	48,951	82,270
Depreciation	30,447	34,779
Repairs & maintenance	14,747	11,247
Insurance	5,578	5,481
Subscriptions	--	1,135
Business development	--	40
Travelling	--	24
	<u>1,311,170</u>	<u>1,377,757</u>

10 Net finance (charge) / income

	2021	2020
	\$	\$
Interest income	(3,995)	711,559
Bank charges	(321)	(1,061)
	<u>(4,316)</u>	<u>710,498</u>

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

11	Staff costs	2021 \$	2020 \$
	Contracted wages	360,000	393,733
	Wages and salaries	96,250	105,000
	Annuity allowance costs	26,001	28,168
	National insurance costs	11,078	11,461
	Group health insurance costs	6,974	7,608
	Group life insurance costs	1,251	1,365
		<u>501,554</u>	<u>547,335</u>

12 Lease commitment

A new lease agreement was signed with Trinidad and Tobago Mortgage Finance Company Limited for the two year period 1 January 2021 to 31 December 2022. Monthly rentals of \$32,467.50 are payable towards rent, electricity, service charges and VAT.

	2021 \$	2020 \$
Property rental	<u>389,610</u>	<u>389,610</u>

The minimum lease payments as at the year end is as follows:

Due in less than one year:	389,610	389,610
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13 Office administration

Telephone and cable	33,782	34,251
Plants and janitors	7,179	21,634
Postage and courier services	4,690	8,365
Shop supplies	2,098	10,161
Stationery and office supplies	1,202	7,760
Other administrative costs	<u>--</u>	<u>99</u>
	<u>48,951</u>	<u>82,270</u>

14 Taxation

The company is exempt from corporation tax or levies in respect of sales and profits, by virtue of Section 33 of the Free Zones Act.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

15 Related parties

The company's key management compensation earned total remuneration of \$360,000 (2020 - \$393,733) and directors' fees totaled \$178,800 (2020 - \$178,800)

16 Other income

	2021	2020
	\$	\$
Late fee penalty	--	3,973
Gain foreign exchange	<u>--</u>	<u>7,518</u>
	<u><u>--</u></u>	<u><u>11,491</u></u>

17 Financial risk management

The company's activities expose it to credit risk, compliance risk and reputation risk. The company's overall risk management procedures employed manage the risks as discussed below:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligation. Credit risk relating to accounts receivable balances are consistently managed and analysed for each client. Cash balances are held with reputable financial institutions and the company has actively sought to limit the amount of exposure to any single financial institution therefore minimising credit risk arising from cash and cash equivalents.

The company also actively monitors global economic developments and government policies that may affect the growth rate of the local economy.

(b) Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arise from non-compliance with laws and regulations of the state. The risk is limited to a significant extent due to the supervision applied by the Government of Trinidad and Tobago, as well as by the monitoring controls applied by the company. The company has an Audit Committee which does routine reviews on compliance.

(c) Reputation risk

The risk of loss of reputation arising from the negative publicity relating to the company's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the company. The company engages in activities that bring awareness to its operations and therefore engender trust and minimise this risk.

Trinidad & Tobago Free Zones Company Limited

Notes to the Financial Statements (continued) 31 December 2021

18 Subsequent events

The COVID-19 pandemic in 2021 has not adversely affected Trinidad & Tobago Free Zones Company Limited.

As at 4th August 2022, the date in which the Financial Statements were approved by the Board of Directors, there were no adjusting or non-adjusting events that materiality affected the Financial Statements.

Trinidad & Tobago Free Zones Company Limited has not been substantially directly impacted in other aspects other than mandatory closure of the company for a three month period and there were no contracts broken or cancelled as of date.